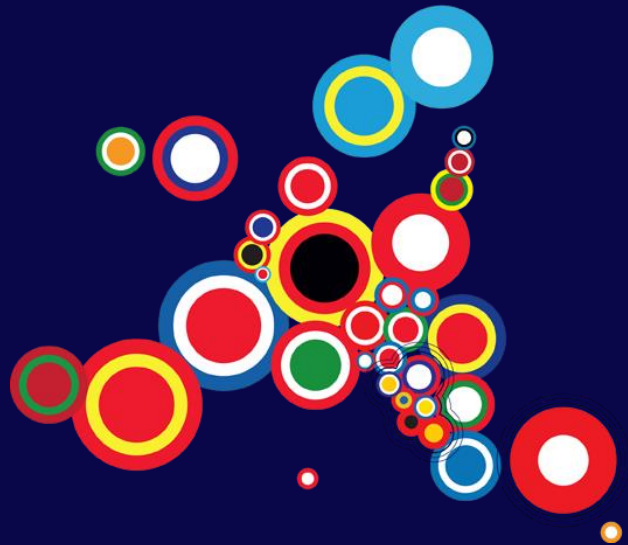




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

KOSOVO*

Support to participation in
Union Programmes



Action summary

The action will support Kosovo's participation in Union Programmes by co-financing the costs of the entry-tickets.

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

Action Identification	
Action Programme Title	Annual Action Programme for Kosovo for the year 2018
Action Title	Support to participation in Union Programmes
Action ID	IPA 2018/ 041 245 / 02 / Kosovo / Union Programmes
Sector Information	
IPA II Sector	1. Democracy and Governance
DAC Sector	43010 (multisector aid)
Budget	
Total cost	EUR 234 000
EU contribution	EUR 187 200
Management and Implementation	
Method of implementation	Direct management
<i>Direct management:</i> EU Delegation	European Union Office in Kosovo
Implementation responsibilities	European Union Office in Kosovo
Location	
Zone benefiting from the action	Kosovo
Specific implementation area(s)	Kosovo
Timeline	
Final date for concluding Financing Agreement(s) with IPA II beneficiary	At the latest by 31 December 2019
Final date for concluding procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Final date for operational implementation	6 years following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement (date by which this programme should be	12 years following the conclusion of the Financing Agreement

de-committed and closed)			
Policy objectives / Markers (DAC form)			
General policy objective	Not targeted	Significant objective	Main objective
Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
Trade Development	<input type="checkbox"/>	X	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
RIO Convention markers	Not targeted	Significant objective	Main objective
Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

European Union Programmes are multi-annual financial instruments structured to promote cooperation, primarily among Member States in fields related to different European Union (EU) policies (i.e. research, competitiveness and innovation, media, education, health, youth, culture, environment, customs policy, fight against poverty, fight against youth unemployment, and so on). The policies behind the Union Programmes are closely related to the priorities of the strategy Europe 2020 – delivering the smart, sustainable and inclusive growth.

For Kosovo, its participation in these programmes represents an opportunity to prepare for its European perspective and to familiarise itself with the EU policies as well as with the system of values and mechanisms on which the EU is based.

The process of Stabilisation and Association Agreement (SAA) between Kosovo and the EU, which is an EU-only agreement, started on October 2013. The SAA was signed in October 2015 and entered into force on 1 April 2016. By signing this Agreement, Kosovo entered for the first time into a contractual agreement with EU, for which it is committed to fulfil the obligations deriving from SAA (alignment of legislation, trade issues and so on).

In order to better fulfil the responsibilities arising from the SAA, Kosovo has decided in 2017 to participate in Union Programmes with the aim to further build technical and administrative capacities in line with EU standards.

Kosovo signed the Framework Agreement (FWA) with the European Commission on general principles for participation in Union Programmes on 25 November 2016. The FWA includes a list of the 17 Union Programmes in which Kosovo is eligible to participate; it entered into force on 1 August 2017.

Along with public administrations and agencies, private sector organisations, businesses and Civil Society Organisations (CSOs) including women's CSOs could benefit from the use of Union Programmes, which aim to build their capacities and prepare the ground for Kosovo's European perspective.

In 2017, a preliminary assessment/study of Kosovo's participation in Union Programmes was conducted. The objective of this study/assessment was to map of all the 17 Union Programmes by providing findings and recommendations on the capacities and needs for Kosovo's participation. The study identified all target groups for 17 Union Programmes, assessed the readiness of potential beneficiaries on various Union Programme participation by analysing the relevance of strategic documents and the potential beneficiaries' capacities. Further consultation workshops were held in 2017. At the end of consultation processes and based on preliminary assessment/study findings, Kosovo decided for a short-list of Union Programmes where IPA II support would be considered. In 2018, Kosovo decided to apply for the same programmes as in 2017, namely:

- **Erasmus +**
- ***COSME***
- ***Creative Europe***
- **Europe for citizens**

All of the selected Union Programmes are in line with Kosovo short-term priorities and immediate needs deriving from the European Reform Agenda and the SAA. In addition to that, the above four Union Programmes give an opportunity for participation of different target groups, such as government bodies, private organisations and CSOs. In addition, the programmes mentioned above, when implemented, should benefit both women and men, and, insofar as possible seek to contribute to gender equality.

By participating in Union Programmes, Kosovo is obliged to contribute to the EU budget by paying a fee (entry ticket). The fees are different for every Programme, as each programme has its own rules for participation. The entry tickets are negotiated with the European Commission during the drafting of International Agreements (IA). The International Agreement for the COSME programme has been signed in December 2017 and for the remaining three Union programmes the signing of IAs is envisaged to take place in 2018.

Furthermore, for participating in Union Programmes a proper planning is needed. The institutions/beneficiaries should plan the cost of entry tickets in their medium term budget and the cost of entry tickets reimbursed by IPA programmes should be allocated in advance (one or two years in advance). The key stakeholders affected by this action are the final grant beneficiaries (governmental and non-governmental bodies) of the Union Programmes selected. More specifically the main beneficiary of this assignment is the Ministry of European Integration (MEI) together with the Ministry of Education, Science and Technology, Ministry of Trade and Industry, Ministry of Culture, Youth and Sports. In addition to the government institutions, the others benefiting from this project is the CSO/NGO sector, local public administration and public bodies, the private sector and education and research.

OUTLINE OF IPA II ASSISTANCE

Kosovo's participation in selected Union Programmes will contribute to the addressing of recommendations of the European Commission's 2018 Kosovo Report and short-term priorities of the European Reform Agenda, most notably:

- i) Improving quality and access to education;
- ii) Improving quality standards and infrastructures as well access to finance for SMEs;
- iii) Supporting and promoting the culture sector;
- iv) Increasing CSO capacities related to their involvement in decision-making process.

In the meantime, Kosovo has appointed contact points for each Union Programme where the IA will be signed. In addition, the cost of entry tickets is planned in the Kosovo Budget.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

The Indicative Strategy Paper for Kosovo defines priorities for EU financial assistance to support Kosovo in meeting the criteria set for the period 2014-2020. This action document will focus on those Union Programmes identified as short-term priorities by the Kosovo institutions and are in line with the **Indicative Strategy Paper** respective sectors, i.e. Competitiveness, Education, and so on.

Furthermore, the action will be a complementary tool to support implementation of short term priorities of **European Reform Agenda (ERA)**.

The National Action Plan for Implementing SAA (NPISAA) 2017-2021 also acknowledges the importance of Kosovo's participation in Union Programmes, such as: COSME, Erasmus+, and so on.

The 2018 Kosovo Report recommends increasing Kosovo's focus on the implementation of the SAA obligations in order to move forward with its European perspective. Furthermore, the Action is in line with

the February 2018 strategy entitled ‘**A credible enlargement perspective for and enhanced EU engagement with the Western Balkans**’, and especially the flagship initiatives aiming to enhance for the region’s socio-economic development.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

Initially the Union Programmes were planned only for EU Member States but in 2003 during the European Council meeting in Thessaloniki, it was decided to open the European Union Programmes (ex-Community Programmes) to beneficiaries outside the EU and EEA, who were in the Stabilisation and Association Process. The objective of participation of candidate countries and potential candidates on Union Programmes is to make them acquainted with the methods and policies of the EU.

Kosovo has limited experience with Union Programmes and has only benefited from ERASMUS + until now, although other countries in the region have already participated and benefitted from these Programmes. The experience from the region shows that successful participation in Union Programmes requires a high degree of ownership and initiative by the beneficiary.

Although the beneficiaries in the region are taking measures to improve their approach towards Union Programmes, the lack of data for number of applications and awarded contracts at beneficiary level seems to be a common problem in the region: beneficiaries do not have regular information from Implementing Agencies which will enable Kosovo authorities to regularly monitor, on an annual basis the efficiency and effectiveness of other Western Balkan beneficiaries participation in Union Programmes. Finally, a general lesson learned is that whereas EU assistance through Union Programmes can contribute to building capacities in one particular sector, it does not always contribute to overall public administration reform. In fact, past EU assistance has sometimes contributed to creation of sectorial isolated 'islands of excellence', which are rarely sustainable in the overall administrative environment. This is the case, for instance, of actions promoting the establishment of new organisational structures, even if supported with EU Member States practices. Should creation of new institutional structures be necessary, in order to avoid fragmentation and politicisation of Kosovo administration and to ensure rationality and value for money, the assistance should pay particular attention to ensure clarity of accountability lines with the parent ministry.

2. DESCRIPTION AND IMPLEMENTATION ARRANGEMENTS

INTERVENTION LOGIC

The main **objective** of this action is:

- To ensure access for participation on four selected Union Programmes by co-financing the costs of the entry-tickets/participation fees.

The expected **results** of this action are:

- Enhanced participation of Kosovo in Union Programmes, including increased exchanges with EU Member States;

Key **indicators** for the achievement of the results are:

- Number of programmes for which an International Agreement has been concluded.
- Kosovo's participation rates in the following Union Programmes: Europe for Citizens (2019), COSME (2019), Erasmus+ (2019) and Creative Europe (2019).

Activities under this action mainly include the payment/reimbursement of entry tickets for participation on Union Programmes for which an International Agreement will be signed.

The Kosovo institutions which will coordinate and manage the programmes will show maximum dedication, including adequate staffing and budget resources, to participate and implement in a proper way the Union Programmes. Beneficiaries will be supported in coordination of selected Union Programmes by technical assistance financed through IPA 2017 programme. Furthermore, a framework contract to support participation on four Union Programmes for the year 2018 is foreseen to be launched and contracted in the beginning of 2018.

IMPLEMENTATION ISSUES

The participation of the IPA II beneficiary in Union Programmes, including the beneficiary's payment of the entry ticket/participation fees, shall follow the specific terms and conditions set out for each programme in the relevant International Agreement. Co-financing rates from previous participation shall be taken into account, and in line with the principle of increasing Kosovo's ownership and responsibility, IPA funding rates shall decrease over the years in real or relative terms.

The Ministry of European Integration (MEI) is the main beneficiary responsible for the coordination of activities at the beneficiary level, and has appointed the counterpart for the action and focal point for Union Programmes. Other beneficiaries are governmental institutions – line ministries and agencies responsible for implementation of respective Union Programmes as below:

- **Erasmus +** - beneficiary: *Ministry of Education, Science and Technology*;
- **COSME** – beneficiary: *Ministry of Trade and Industry, KIESA*;
- **Creative Europe** – beneficiary: *Ministry of Culture, Youth and Sports*;
- **Europe for citizens** – beneficiary: *Ministry of European Integration*

This action will be implemented through direct management, where the Contracting Authority is the European Union Office in Kosovo. The main activity of this project is:

Reimbursement entry tickets cost on selected Union Programmes (Erasmus +, COSME, Creative Europe, Europe for Citizen) – (value EUR 187 200)

Candidate Countries and Potential Candidates can participate in Union Programmes by signing a Framework Agreement between the government and European Commission. In the case of Kosovo it was signed in November 2016, ratified by Parliament subsequently and has entered into force on 1 August 2017. Following to that, an international agreement (IA) needs to be signed between the beneficiary and EC (respective DG or implementing agencies) for each selected Union Programme. The IA lays down the rules governing Kosovo's participation, in particular the administrative capacities required, the planned financial contribution, the mechanism for taking part in the management of the programme and the financial control provisions. The exact financial allocation (entry tickets) is to be paid by the beneficiary for participating in Union Programmes and rate of reimbursement through IPA 2018 outlined in the relevant IA. The IA for COSME Programme has been signed in December 2017 and for the three other programmes it has been envisaged to be signed in 2018.

IPA funds of year 2017 co-finance entry tickets/participation fees for year 2018.

Under IPA 2018 Programme the reimbursement rate will be 80%. (Please refer to Budget breakdown table in section 3).

The beneficiary institutions will ensure payment of entry tickets through Kosovo Budget (by planning them in timely manner) and prepare all documents requested for reimbursement through IPA 2018. The reimbursement will be paid as a grant to the Kosovo authorities.

Taking into account that the action will be implemented under direct management the cooperation between MEI, National Contact Points and EU Office programme manager will be on regular basis. The relevant final beneficiaries (Line Ministries/Agencies) will regularly provide Union Programmes implementation reports to the NIPAC. The NIPAC in cooperation of NCPs and EU Office will regularly monitor the participation rates and report on them in the context of IPA monitoring committees once per year.

COMMUNICATION AND VISIBILITY

Communication and visibility activities shall be implemented in accordance with the rules of each Union programme. The relevant programme managing entity shall be responsible for monitoring of the visibility activities. The NIPAC office needs to make sure that the Kosovo institution participant of the respective Union Programme establishes direct contacts with the EU Office in Kosovo in order to plan and implement together visibility actions linked to the implementation of the respective Union Programme. Any public outreach materials produced shall consider the potentially differing communication needs and means of women and men.

Web-site of the Ministry of European Integration (www.mei-ks.net) will be used as a platform to share relevant information about the activities of the action.

3. BUDGET BREAKDOWN

	Total expenditure	IPA II contribution		IPA II beneficiary contribution	
	EUR	EUR	%	EUR	%
Entry ticket for Erasmus+ of year 2019	50,000.00	40,000.00	80.00	10,000.00	20.00
Entry ticket for Creative Europe of year 2019	35,000.00	28,000.00	80.00	7,000.00	20.00
Entry ticket for Cosme of year 2019	134,000.00	107,200.00	80.00	26,800.00	20.00
Entry ticket for Europe for Citizen of year 2019	15,000.00	12,000.00	80.00	3,000.00	20.00
TOTAL for ACTION	234,000.00	187,200.00		46,800.00	

ANNEX I

Overview of Kosovo's public institutions that have signed International Agreements with the European Commission and dates of entry into force or latest amendments to the International Agreements

The International Agreements for selected COSME Programme has been signed on December 2017 and for the three other programmes is foreseen to be signed on the 1st quarter of 2018.

The Ministry of European Integration (MEI) is the main beneficiary, responsible for coordination of activities at beneficiary level of this Action Document, and has appointed the counterpart for the action and focal point Union Programmes. Other beneficiaries are institutions – line ministries and agencies responsible for implementation of respective Union Programmes as below:

- **Erasmus +** - beneficiary: *Ministry of Education, Science and Technology;*
- **COSME** – beneficiary: *Ministry of Trade and Industry; KIESA;*
- **Creative Europe** – beneficiary: *Ministry of Culture, Youth and Sports;*
- **Europe for citizens** – beneficiary: *Ministry of European Integration*